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C O N F I D E N T I A L SECTION 01 OF 02 ROME 000715

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DEPT FOR OES/SAT, EUR/WE

E.O. 12958: DECL: 01/30/2011 TAGS: <u>TSPA</u> <u>ETTC</u> <u>ETTC</u> <u>IT</u> <u>ITTSPA</u>

SUBJECT: GOI SLOWLY SHIFTING TO MILITARY ROLE FOR GALILEO

REF: 01 ROME 6243

CLASSIFIED BY: ESTCOUNS DAVID W. MULENEX FOR REASONS 1.5 B AND D.

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 11. (C) SUMMARY. DESPITE SETBACKS IN DECEMBER AT THE EU
 TRANSPORT COUNCIL AND THE EU SUMMIT, GOI RESOLVE TO PUSH
 FORWARD WITH THE GALILEO GLOBAL NAVIGATION SYSTEM APPEARS TO
 HAVE STRENGTHENED. THE LATEST DEVELOPMENTS ARE A NOW
 FREQUENTLY HEARD ADMISSION THAT GALILEO NEEDS TO BE VIEWED IN
 A DUAL-USE CONTEXT, I.E., AS A SYSTEM WITH MILITARY USES
 COMPLEMENTARY TO AND COORDINATED WITH THE U.S. GLOBAL
 POSITION SYSTEM (GPS). MFA, INDUSTRY, AND THE ITALIAN
 AEROSPACE AGENCY ARE LINING UP IN FAVOR OF THIS POSITION.
 ITALIAN REPRESENTATIVES TO THE ESA AND EC TECHNICAL
 COMMITTEES, CONFUSINGLY, SEEM TO BE UNAWARE OF THIS SHIFT IN
 GOI POSITION. END SUMMARY.
- 12. (C) AS REPORTED REFTEL, POST HEARD RAISED FOR THE FIRST TIME IN EARLY DECEMBER AT MFA THE IDEA THAT ITALY MIGHT CONSIDER GALILEO AS A TOPIC FOR A MILITARY-TO-MILITARY DISCUSSION. IN A FOLLOW-UP MEETING WITH THE MFA NATO OFFICE A WEEK LATER, WE HEARD THE SAME MESSAGE -- WHY NOT CONSIDER GALILEO-GPS INTEROPERABILITY A PROJECT DEMONSTRATING EU-US SOLIDARITY IN ANTI-TERROR COOPERATION, INCLUDING THE EXPLOITATION OF GALILEO'S POTENTIAL IN THE MILITARY SPHERE AS WELL? THE QUESTION SEEMED RHETORICAL AT THE TIME, SINCE MFA SAID IT HAD NO PLAN TO SUGGEST TO MOD A MILITARY-TO-MILITARY DISCUSSION ON GALILEO.
- 13. (C) ITALIAN INDUSTRY, ESPECIALLY ALENIA SPAZIO, HAS PUBLICLY AND PRIVATELY ADVOCATED GALILEO AS A EUROPEAN SYSTEM NECESSARY TO OFFSET THE POSSIBLE DEGRADATION OR SHUTDOWN OF U.S. GPS SIGNAL. ALENIA SPAZIO PRESIDENT ZAPPA TOLD ESTCOUNS IN EARLY JANUARY THAT EUROPE WOULD GO AHEAD WITH GALILEO, THAT THE SYSTEM WOULD INCLUDE MILITARY USES, AND THAT CONFIDENTIAL
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 INTEROPERABILITY WITH GPS WOULD INCLUDE BOTH MILITARY AND
 CIVILIAN APPLICATIONS. ALENIA CONTINUES IN ITS LONG-STANDING
 ATTEMPT TO FORGE AN ALLIANCE WITH BOEING, AND AMONG THE
 ELEMENTS OF THE POSSIBLE AGREEMENT IS COOPERATION ON
 GPS-GALILEO INTEROPERABILITY. ZAPPA ALSO TOLD ESTCOUNS THAT
 THE GERMANS WERE NOW ONBOARD AND PREPARED TO SUPPORT GALILEO.
- 14. (C) LAST, IN A JANUARY COURTESY CALL ON SERGIO VETRELLA, THE NEW PRESIDENT OF THE JUST RENAMED ITALIAN AEROSPACE AGENCY (FORMERLY ITALIAN SPACE AGENCY), ESTCOUNS WAS TOLD THAT WHILE THE AGENCY WANTED A "CONNECTION" WITH NASA THAT WENT BEYOND COOPERATION, THE SPACE AGENCY ALSO HAD RESPONSIBILITIES TO ESA. VETRELLA, LIKE ZAPPA AND MFA COLLEAGUES, ASKED ALOUD WHY THE COSTS OF GALILEO SHOULD NOT BE DISTRIBUTED AGAINST ALL THE POTENTIAL BENEFITS OF THE SYSTEM, INCLUDING INTEROPERABILITY WITH GPS IN MILITARY APPLICATIONS.
- 15. (SBU) ON 16 JANUARY 2002, ESTOFF MARTINI MET WITH ASI NAVIGATION AND SPACE TELECOMMUNICATIONS ENGINEERS FRANCO MARCONICCHIO (PROTECT) AND FRANCO MARUCCI (PROTECT), WHO ARE MEMBERS OF THE ESA AND EC GALILEO TECHNICAL COMMITTEES.

 MARCONICCHIO AND MARUCCI SEEMED TO BE COMPLETELY UNCONCERNED BY THE DECEMBER FAILURE OF THE EU TRANSPORT COUNCIL TO REACH CONSENSUS ON APPROVAL OF THE GALILEO PROGRAM. THEY PROFESSED ABSOLUTE CONFIDENCE THAT GALILEO WOULD EVENTUALLY RECEIVE ALL NECESSARY EU APPROVALS. MARCONICCHIO INTERPRETED RECENT STATEMENTS BY THE EU HEADS OF GOVERNMENT AS A CONFIRMATION OF A FIRM COMMITMENT TO THE DEVELOPMENT OF GALILEO. HE WAS CONFIDENT THAT THIS COMMITMENT WOULD BUOY GALILEO ALONG UNTIL A CONSENSUS WAS REACHED. IN ADDITION, MARCONICCHIO AND CONFIDENTIAL
- PAGE 04 ROME 00715 01 OF 02 130957Z MARUCCI NOTED THAT THE EU HAD APPROVED SUFFICIENT FUNDS FOR THE CURRENT DEFINITION PHASE OF THE PROGRAM, WHICH COULD CONTINUE ON FOR SEVERAL YEARS.
- 16. (SBU) MARCONICCHIO AND MARUCCI SHARED THE OPINION THAT THE USG WAS OPPOSED TO AN INDEPENDENT GNSS SYSTEM BECAUSE OF POLITICAL CONSIDERATIONS RATHER THAN PUBLIC SAFETY OR NATIONAL SECURITY CONCERNS. FROM THEIR POINT OF VIEW, THE USG IS NERVOUS ABOUT THE LOSS OF POWER AND PRESTIGE THAT

WOULD RESULT FROM AN INDEPENDENT EUROPEAN COUNTERPART TO GPS. THEY DISMISSED CONCERNS EXPRESSED RECENTLY BY THE DEPUTY SECRETARY OF DEFENSE REGARDING THE PROPOSED OVERLAY OF THE

GALILEO SIGNAL IN BANDWIDTH USED BY THE U.S. MILITARY. THEY COUNTERED THAT SUCH CONCERNS COULD EASILY BE ALLAYED BY A "REAL" COMMITMENT BY THE US TO COOPERATE WITH THE US ON INTEROPERABILITY BETWEEN GPS AND GALILEO. THEY REPEATED COMMENTS BY OTHER ITALIAN OFFICIALS THAT INTEROPERABILITY IS VIEWED IN ITALY AS A TECHNICAL NECESSITY IN ORDER TO PROVIDE GLOBAL COVERAGE.

(SBU) WHEN ESTOFF ASKED ABOUT POSSIBLE MILITARY USE OF GALILÈO, BOTH ASI OFFICIALS INSISTED THAT GALILEO WOULD BE FOR CIVILIAN-USE ONLY. MARUCCI ARGUED THAT IN ORDER FOR GALILEO TO TAKE ON A MILITARY ROLE, IT WOULD HAVE TO RECEIVE

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INFO LOG-00 NP-00 AID-00 AMAD-00 CIAE-00 CIP-00 COME-00 CTME-00 DOEE-00 DOTE-00 SRPP-00 EB-00 EUR-00 FAAE-00 TEDE-00 INR-00 NASA-01 VC-00 H - 01L-00 AC-01 NSCE-00 OMB-01 ACE-00 NSAE-00 PM-00 IRM-00 SS-00 USIE-00 EPAE-00 SNIS-00 NISC-00 TRSE-00 T-00 STR-00 /007W DRL-02 SAS-00 PMB-00--661E1E 1309577 /38

R 1309327 FEB 02 FM AMEMBASSY ROME TO SECDEF WASHDC SECSTATE WASHDC 2112 INFO EU MEMBER STATES COLLECTIVE USEU BRUSSELS 2546 USMISSION USNATO

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APPROVAL FROM NATO, SINCE SUCH A MOVE WOULD AFFECT THE COLLECTIVE NORTH ATLANTIC DEFENSE STRUCTURE. HE THOUGHT IT HIGHLY UNLIKELY THAT ITALY, OR ANY OTHER MEMBER OF THE CONSORTIUM SUCH AS SPAIN OR FRANCE, WOULD PRESENT A FORMAL CONFIDENTIAL

- ROME 00715 02 OF 02 130957Z PROPOSAL TO THE NORTH ATLANTIC COUNCIL (NAC) FOR GALILEO'S MILITARY USE. WHEN ESTOFF NOTED THAT SEVERAL ITALIAN GOVERNMENT AND INDUSTRY OFFICIALS HAD MADE STATEMENTS TO THE EMBASSY SUGGESTING A MILITARY ROLE FOR GALILEO, IT DID NOT SEEM TO REGISTER WITH EITHER MARUCCI OR MARCONICCHIO.
- (SBU) MARUCCI AND MARCONICCHIO SUGGESTED THAT A WAY THROUGH THE CURRENT US-EU IMPASSE OVER GALILEO WOULD BE TO ESTABLISH A BILATERAL ITALO-AMERICAN DIALOGUE ON THE TECHNICAL AND POLITICAL DIMENSIONS OF GNSS. THEY SUGGESTED THAT A BILATERAL DIALOGUE WOULD PROVIDE A MORE STREAMLINED AND EFFICIENT PATH TO ACHIEVE A TRANSATLANTIC CONSENSUS ON INTEROPERABILITY. AS A RATIONALE FOR THIS CONCEPT, MARUCCI ADMITTED THAT THERE WAS NO EUROPEAN CONSENSUS ON THE TECHNICAL PARAMETERS REQUIRED FOR GALILEO AND THAT THE US WAS DEALING WITH A COLLECTION OF POLICIES OF INDIVIDUAL MEMBER STATES. MARUCCI AND MARCONICCHIO SUGGESTED SPECIFICALLY THAT TRILATERAL COOPERATION AMONG THE UNITED STATES, EU AND RUSSIA TO ADDRESS THE DATA RELAY OF NAVIGATIONAL SIGNALS OVER THE ARCTIC CIRCLE COULD PROVIDE A FORUM FOR A TECHNICAL, NON-CONTROVERSIAL DISCUSSION ON INTEROPERABILITY.
- 19. (C) EMBASSY COMMENT. HAVING NOW HEARD THE SAME ESSENTIAL MESSAGE FROM GOVERNMENT, INDUSTRY, AND THE AEROSPACE AGENCY, WE CONCLUDE THAT THE GOI POLICY ON STRICTLY CIVILIAN APPLICATIONS FOR GALILEO HAS SHIFTED. HOWEVER, WE DO NOT YET KNOW THE PARTICULAR FORM THIS SHIFT MAY TAKE. OUR SOURCES CONTINUE TO DISTANCE THEMSELVES FROM FRENCH VIEWS THAT THEY CHARACTERIZE AS UNHELPFUL TO US-EU SOLIDARITY. IT IS NOT YET CLEAR WHETHER WE SHOULD EXPECT AN OVERTURE FOR DIRECT MILITARY-TO-MILITARY TALKS, WHICH WOULD UNDERMINE THE CONFIDENTIAL
- PAGE 03 ROME 00715 02 OF 02 130957Z COMPETENCE OF THE EC TO CONTINUE DISCUSSIONS WITH THE U.S. ON GALILEO. THE ITALIAN AEROSPACE AGENCY TECHNOCRATS CONTINUE
 TO LOBBY FOR A BILATERAL DISCUSSION OF INTEROPERABILITY, BUT
 WE NOW JUDGE THEIR INITIATIVE TO BE BEHIND THE POWER AND
 POLICY CURVES. IT DOES SEEM THAT THE SEARCH IS ON FOR

ALTERNATE FINANCING OF THE PROJECT, AND THAT MODS MAY BE AMONG THE FIRST TARGETS OF THE GALILEO SUPPORTERS. END COMMENT. SEMBLER

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